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## United States Senate

COMMITTEE ON SMALL BUSINESS

WASHINGTON, DC 20510-6350

February 9, 2000

The Honorable David M. Walker  
Comptroller General of the United States  
U.S. General Accounting Office  
441 G. Street, NW  
Washington, DC 20548

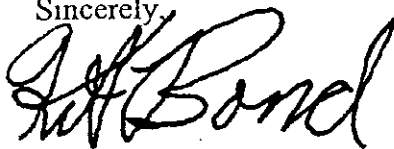
Dear Mr. Walker:

As you know, while nearly 3 million small businesses with fewer than 50 employees offer health insurance benefits to their employees, many others that would like to offer health insurance are unable to afford coverage. Of the 44 million uninsured individuals in 1998, a substantial proportion were employed by a small firm or their dependents.

Concerned about the availability and affordability of health insurance benefits for small businesses, I am requesting that GAO conduct a study of the small group health insurance market for firms with fewer than 50 employees. In particular, this review should examine (1) how premium rates are established for small employers and the extent to which they differ from those for larger employers, (2) what other constraints make health insurance less available for small employers, and (3) whether federal and state efforts have improved the availability and affordability of coverage for small employers. A GAO study by September 2000 would assist the Committee in its continued efforts to enhance small business' opportunities and competitiveness.

If you have any questions regarding this request, please contact Emilia DiSanto, Staff Director at (202) 224- . Thank you in advance for your assistance on this matter.

Sincerely,



Christopher S. Bond  
Chairman